

Council on Postsecondary Education  
July 28, 2003

## Adult Education Reorganization

*Senate Bill 1, the Adult Education Act of 2000, directed the Council on Postsecondary Education to create a strategic agenda to address the needs of 40 percent of working-age Kentuckians functioning at low levels of literacy. Since Kentucky created this partnership between adult and postsecondary education, much progress has been achieved. Enrollment in adult education programs, GED attainment, and the on-to-postsecondary rate have increased significantly. Because of this remarkable success and the continuing need to prepare adults for life and work, Governor Patton signed an executive order placing all adult education services with the Council on Postsecondary Education.*

Action: The staff recommends that the Council accept the provisions outlined in Executive Order 2003-600 transferring the functions and activities of the Department for Adult Education and Literacy from the Cabinet for Workforce Development to the Council on Postsecondary Education.

### Reorganization Order

Reorganization Executive Order 2003-600 ([Attachment A](#)) signed by Governor Paul Patton on June 16, 2003, abolished the Department for Adult Education and Literacy (DAEL) within the Cabinet for Workforce Development. The order was effective July 16, 2003, and all paperwork associated with the reorganization has been filed and approved. Reorganization plans must be ratified by the General Assembly in the next regular session following the reorganization. Failure of the General Assembly to ratify the reorganization results in a return to the pre-executive order structure. The adult education and literacy reorganization has been extensively discussed with legislative leadership and ratification is expected in the 2004 legislative session.

The executive order decreed that all of the duties, responsibilities, and functions of the DAEL are to be reconstituted within the Council, as the Council deems appropriate. Since the Council on Postsecondary Education is an independent agency with a separate board, the executive branch lacks the capacity under KRS 12.028 to reorganize the Council by executive order. The executive order abolishes all adult education and literacy functions within the

Cabinet for Workforce Development and assigns those functions to the Council as deemed appropriate by the president of the Council. A vote by the Council to accept the programs and functions of adult education and literacy is necessary to complete the reorganization.

### **Reorganization Process and Personnel**

Twenty-five people from the DAEL were offered and accepted positions within the Council. Additionally, two positions were assigned to the Council's adult education initiatives prior to the reorganization.

Some of the DAEL employees were subject to the provisions of KRS Chapter 18A, Kentucky's merit system. Merit system employees have employment rights within state government when, and if, there is a reduction in force (a layoff). That is the case with this reorganization. KRS Chapter 18A requires the Cabinet for Workforce Development to initiate a layoff plan and to work with the state Personnel Cabinet to find suitable positions for all employees who were not offered positions with the Council or who declined to accept a transfer to the Council. To date, all merit system employees have secured employment either with the Council or with other state agencies.

CPE and DAEL officials met to develop a crosswalk for all DAEL positions and to align those positions and salaries with those in the Council. The DAEL employees who accepted employment with the Council were required to give up their KRS Chapter 18A rights and privileges as the Council is not bound by the provisions of KRS Chapter 18A. All department employees will retain their retirement membership and benefits, including the uninterrupted accrual of service time in both the Teachers' Retirement System of Kentucky and the Kentucky Retirement System. Employees were allowed to transfer their leave balances and sick days as well.

Upon notification of the impending reorganization last May, a communication plan was implemented, resulting in a series of meetings over time. Secretary Lile, Cabinet for Workforce Development, met with DAEL staff on May 27 to announce the proposed reorganization. Commissioner King, Deputy Commissioner Stagnolia, representatives from the state personnel cabinet, and the Cabinet's general counsel met with staff individually on May 28 and 29, 2003. A second round of individual meetings was held with staff on June 6, 2003. Consultants with the state personnel cabinet were stationed at the department for three days in early June to assist staff through the transition. In addition, Commissioner King and Secretary Lile met with selected staff upon request. The Council staff held two meetings with DAEL staff to discuss fringe benefits.

## **Budget**

The combined budget for adult education activities will be \$31.1 million. This includes \$11.2 million currently appropriated to the Council through the Adult Education and Literacy funding incentive program, \$10.8 million directly appropriated to the DAEL, and \$9.1 million in federal funds. A detailed budget plan will be available in the FY 2003-04 first quarter financial report.

## **Rationale**

The reorganization means that a single entity will have responsibility for the coordination and administration of all adult education and literacy activities in the Commonwealth, resulting in improved economy, efficiency, and efficacy in adult education. A narrative description and rationale ([Attachment B](#)) was submitted as part of the reorganization plan.